

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

September 13, 2004  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci, Chelminiak, Davidson, Degginger, and Lee<sup>1</sup>

ABSENT: None.

1. Executive Session

At 6:01 p.m., Deputy Mayor Noble opened the meeting and announced recess to Executive Session for approximately 35 minutes to discuss one item of property acquisition and one item of potential litigation. During the Executive Session, a third item relating to pending litigation was added.

The meeting resumed at 6:40 p.m. with Mayor Marshall presiding. At the Mayor's request, Council agreed to modify the agenda to add an update on the recent house explosion as item 3(c).

2. Oral Communications

- (a) Al Close, Symetra Financial, expressed support for Ordinance No. 5542 and encouraged Council to approve the sign code amendments.
- (b) Pamela Smith, a neighbor of Vasa Park, explained that she and her family are bothered by noise from Vasa Park generated by professional live entertainers and bands with amplified sound. She said the use of amplified live music has increased since last summer.
- (c) Susie Winkowski, manager of Vasa Park Resort, noted the park is a nonprofit business. She has been advised by an attorney that the City promised Vasa Park Resort it could continue to operate as it always has upon annexation into the city limits. The first company picnic was held at the park in 1934. Ms. Winkowski asked Council to help resolve the issue as they have already booked company functions for summer 2005.
- (d) Leslie Lloyd, Bellevue Downtown Association, expressed support for Alternative B of Ordinance No. 5542, which provides the most flexibility for applicants.

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<sup>1</sup> Councilmember Lee arrived at 6:09 p.m.

3. Study Session

(a) Proclamation for Constitution Week

Mayor Marshall read a proclamation in recognition of Constitution Week from September 17 through September 23. She encouraged registered voters to vote on Tuesday.

(b) Council New Initiatives

No initiatives were introduced.

(c) Update from Puget Sound Energy and WUTC – House explosion and fire

City Manager Steve Sarkozy opened discussion regarding a house explosion and fire at 16645 SE 26<sup>th</sup> Place on Thursday, September 2. The explosion resulted from a natural gas leak.

Alan Rathburn, Pipeline Safety Director, Washington Utilities and Transportation Commission (WUTC), said his agency's preliminary investigation of the situation concluded that corrosion on the service line to the home was the cause of the failure. The WUTC issued a complaint and request for emergency adjudicative proceeding to Puget Sound Energy today. The proceeding will be held on Wednesday, September 15, and the Commission will then make a determination regarding the need for emergency action.

Sue McClain, Puget Sound Energy, said the company continues to work to ensure the safety of its system. She expressed concern for Frances Schmitz's injuries and extended thoughts and prayers for her recovery. PSE is taking steps to aid the investigation and communicate with residents. An automated phone message was sent to approximately 700 customers to apprise them of the situation and invite them to a community meeting held recently.

Responding to Councilmember Lee, Ms. McClain said PSE's recent leak survey identified some leaks. The findings are consistent with those of PSE's periodic leak surveys and the leaks are not considered anomalies.

Deputy Mayor Noble said public safety is a top priority for the Council and asked if there is any imminent threat. Mr. Rathburn said the situation warrants going above and beyond normal regulatory procedures to ensure safety and fully answer the question of why the explosion occurred. Ms. McClain said there is no technical evidence to suggest an ongoing threat. However, PSE continues to conduct a thorough investigation.

Mr. Degginger thanked City staff for working to issue emergency permits requested by PSE and encouraged continued support to expedite the resolution of any issues related to the incident.

- ☛ Mr. Degginger moved to direct staff to proceed with any activities necessary to expedite and assist with the investigation and to ensure public safety. Mr. Noble seconded the motion.

- The motion to direct staff to proceed with any activities necessary to expedite and assist with the investigation and ensure public safety carried by a vote of 7-0.

- (d) Resolution No. 7067 authorizing execution of a Settlement Agreement accepting the amount of \$10,000 in settlement of Diamatsu, Inc. (dba Taste of Tokyo) vs. City of Bellevue, Moltz Trust, and Michael Stansbury, Cause No. 03-2-32651-8 SEA.

Mr. Sarkozy noted packet materials regarding Resolution No. 7067 authorizing execution of a Settlement Agreement in the matter of Diamatsu, Inc. vs. City of Bellevue, Moltz Trust, and Michael Stansbury. [The correct names are Daimatsu and Molz Trust. However, the incorrect spellings are used to be consistent with the misspellings on court documents.]

- Deputy Mayor Noble moved to approve Resolution No. 7067, and Ms. Balducci seconded the motion.

- The motion to approve Resolution No. 7067 carried by a vote of 7-0.

- (e) Cultural Compass – A Strategic Vision for Arts and Culture

Mary Pat Byrne, Arts Specialist, recalled the presentation of the Cultural Compass plan during the July 26 Extended Study Session. Council action on the plan is scheduled for September 20.

Arts Commissioner Roxanne Shepherd explained that the 10-year Cultural Compass plan will be implemented through a series of packages with specific projects and funding. Decisions to implement packages will occur as the plan continues to evolve. An early implementation package will be presented to Council in October.

Dr. Davidson commented on the difficulty of approving a plan without an understanding of the potential financial implications. He noted the lack of any reference to the private-sponsored PACE project to develop a performing arts center. Ms. Shepherd said PACE is not addressed specifically because the plan provides a broader, conceptual perspective without listing specific projects.

Mr. Degginger concurred with Dr. Davidson's concern about the possible financial implications of the plan.

Mr. Lee commended the extensive work of the 31-member steering committee, the Arts Commission, and Bellevue residents to create the Cultural Compass. He feels the plan provides a good road map for implementing future projects.

Mr. Chelminiak said he and Councilmember Balducci traveled with the Chamber of Commerce to Denver and learned about the science and cultural districts created there. The unanticipated consequence was that private donations dropped off significantly because of the perception that the government, through the district taxes, is providing funding.

Ms. Balducci expressed support for the Cultural Compass plan, which she feels is enthusiastically and widely supported by the community as well.

Deputy Mayor Noble attended the recent King County Council function at Bellevue Art Museum, in which Ms. Byrne was mentioned as one of the top drivers of Eastside arts and culture.

Noting the uncertainty regarding the financial implications of the plan, Mr. Noble suggested adopting the Cultural Compass report as a vision rather than as a plan or policy. Responding to Mr. Noble, Ms. Byrne said staff and the Arts Commission will continue working to create options for a viable administrative structure for delivery of the plan.

Mayor Marshall described her ongoing interest in linking Council priorities together. She noted Council's priority to establish a transit route between Downtown, Crossroads, and Factoria and suggested art buses could provide a fun connection. She acknowledged the link between economic development and arts and culture initiatives.

Mrs. Marshall suggested Bellevue's public art could be highlighted in the *Bellevue Reporter*, a new community newspaper that debuted on September 8. She proposed establishing a non-paid intern position to help implement arts and culture initiatives. Regarding an idea for a citywide exhibit, Mrs. Marshall suggested using and amplifying the timeline exhibit created for Bellevue 50Fest.

(f) Planning Commission's Recommendations for 2004 Comprehensive Plan Update and accompanying Land Use Code amendments

Dan Stroh, Planning Director, explained that the Planning Commission's recommendations for the 2004 Comprehensive Plan update and associated Land Use Code amendments are provided today for Council's review. The Commission and staff will present an overview of the document at upcoming study sessions in October.

Kathleen Burgess, Comprehensive Planning Manager, described the work of the Planning Commission, the Critical Areas Citizen Advisory Committee, and the Downtown Implementation Plan Citizen Advisory Committee over the past two years to provide input into the 2004 update. Information is provided for Council now in anticipation of the October 4 and October 11 Council meetings. Additional discussions with Council are scheduled for October 18 and November 8, and adoption of the Comprehensive Plan updates is scheduled for November 22. Staff will address associated Land Use Code amendments throughout the process.

Responding to Dr. Davidson, Ms. Burgess said the Traffic Standards Code exemption issue will be scheduled for discussion during the October 4 Study Session.

(g) Quarterly Technology Briefing

Toni Cramer, Chief Information Officer, provided a quarterly update on technology initiatives. The eCityGov.net partnership continues to grow and provides leveraging of investments for

lower costs and better service. Staff is working on developing an interface for parks and recreation transactions with multiple cities from one web site. Multiple partnerships are moving forward to connect government, schools, and hospitals through the regional fiber network.

Ms. Cramer reviewed the following project implementations:

- Core financial system replacement
- Utilities customer information and billing system
- Parks on-line registration
- Web GIS browser
- Economic Development web site
- Online building permits expansion.

Ms. Cramer described NWproperty.net, an eCityGov.net project to provide listings of commercial properties, demographic reports, and public data for multiple Puget Sound cities. The City's GIS browser application provides neighborhood-based information on capital projects, parks, facilities, and schools; property information; zoning and King County tax information; and the ability to create custom maps on-line.

Mr. Degginger suggested publicizing the on-line applications in *It's Your City*. Mayor Marshall concurred and suggested a BTV program to highlight the applications as well.

Ms. Cramer provided project updates. Core financials have been implemented in the Enterprise Resource Planning (ERP) system, and the implementation of payroll, timekeeping and human resources systems is scheduled for the first quarter of 2005. Benefits of the new system include a reduction in the number of redundant financial databases, on-line inquiry and real-time access to data, consistent procurement processes and contract management, on-line requisition approval process, real-time access to budget monitoring and projections, ability to automatically take advantage of vendor discounts, and the automated allocation of investment interest.

The public safety wireless project is underway despite a delay. Fourteen pilot units were installed in police cars and 10 arrests have been attributed to the introduction of this technology. Staff is preparing to order equipment for the New City Building. The parks registration system continues to implement additional phases of functionality.

Ms. Cramer described the electronic document management system project, which was delayed more than a year ago to focus on the ERP project. The City Clerk's Office issued a request for proposals (RFP) for a third party vendor to host the document management application, which will allow for documents to be scanned, rather than microfilmed, and to be accessed electronically. Ms. Cramer said the third party vendor is an interim solution requiring minimal support by Information Technology department staff. Ultimately the City will want to own and manage its own system to maximize its functionality.

Responding to Ms. Balducci, Ms. Cramer said approximately \$100,000 will be spent on the electronic document management system this year. The contract term is 28 months for a total not to exceed \$450,000.

Ms. Cramer reviewed items to be presented for Council action on upcoming Consent Calendars:

September - Electronic document management system, \$450,000, two-year lease agreement.

October - Video streaming, \$60,000. Product will archive, index, and stream video of City Council meetings via the Internet. Also provides the capability for on-line video training packages, particularly for public safety personnel.

Eastside Interoperable Communications Equipment Grant contract, \$635,000.

ERP Contract Amendment for Phase II financials, tracking system, inventory automation, \$200,000.

November - Storage subsystems and software, \$362,000.  
Tape library replacement, \$104,000.  
Email archiving software, \$75,000.  
Backup software upgrade, \$212,000.  
Phone equipment, \$45,000.

December - Electronic data storage for old financial data, reporting access for ERP.

(h) Graphic Design Logotype and Stair Tower – New City Hall Project

Planning and Community Development Director Matt Terry recalled previous discussions with Council regarding art elements for the New City Building, including the stair tower design. He commented on the ability to drive along I-5 or I-405 passing through numerous cities, often without realizing which city you are in. This led to the idea of clearly identifying Bellevue on the new building.

Rick Zieve, SRG Partnership, described the stair tower logo, which uses two different fonts for “Belle” and “vue” and could incorporate the use of color. Carla Weinheimer, Project Manager, commented on the potential for using the logo/graphic in other ways by the City. Mr. Zieve reviewed a model of the glass stair tower and discussed how the logo would be placed. Light would glow through the letters of the logo at night.

Mr. Terry said the cost of the stair tower graphic element was originally budgeted at \$200,000. The estimated cost of the proposed graphic design is \$100,000-\$125,000.

Mr. Terry said staff discussed the issue of whether the stair graphic represents a sign and is therefore subject to the City’s sign code ordinance. Art and wayfinding features have typically been treated as exceptions under the sign code, as the intent of the sign code is to regulate commercial enterprises. Staff concluded that the words “City of Bellevue” would identify a place of business and therefore be subject to the sign code. However, staff feels the stair tower logo is more accurately a celebration of place and a wayfinding element. Mr. Terry said the final decision is up to the Council.

Mr. Lee expressed support for the design. He prefers the red/blue color combination over the blue/green logo.

Mr. Degginger likes the idea of a stair tower graphic, however he does not like the proposed graphic design. Mr. Terry noted the option to use the traditional Bellevue logo.

Mr. Noble opined that “vue” is too prominent while “Belle” is barely noticeable. Mayor Marshall concurred and suggested darker, more legible colors. She sees the building’s location as a community gateway and therefore sees the stair graphic as an artistic gateway element.

Mr. Terry explained that the lighting on the model is not necessarily an accurate representation of how the stair tower will appear. Mr. Zieve said the appearance of the graphic will change throughout the day with the changes in lighting and shadows.

Mr. Chelminiak likes the design but concurred with concerns regarding color and legibility. He emphasized the importance of getting the look just right since this will be such a visible feature.

Mayor Marshall noted staff’s request for approval of the stair tower logotype. Mr. Degginger would like to see additional design options. Mr. Lee would like to compare the cost of the graphic with the cost of a traditional sign. Responding to Mayor Marshall, Mr. Terry said deferring a decision for two weeks will not adversely affect the project schedule. Council agreed to view more options before making a final decision.

- Deputy Mayor Noble moved to treat the stair tower graphic as an art and wayfinding feature not regulated by the Sign Code. Mr. Degginger seconded the motion.
- The motion to treat the stair tower graphic as an art and wayfinding feature not regulated by the Sign Code carried by a vote of 7-0.
  - (i) Ordinance No. 5542 amending the Bellevue City Code to allow signs at the upper levels of high-rise buildings downtown; amending Sections 22B.10.020, 22B.10.025, and 22B.10.030 of the Bellevue City Code; and establishing an effective date.

Kate Berens, Legal Planner, noted the replacement for page 3-71 of the Council packet provided in Council’s desk packet. This page summarizes the alternatives for Council’s consideration. Ms. Berens said PACCAR representatives are satisfied with the proposed ordinance.

Ms. Berens explained that the proposed ordinance limits sign illumination to backlighting, or halo lighting. Staff recommends allowing internal illumination if the sign is to be placed on glass or other highly reflective surfaces. Alternative A allows backlighting and internal illumination regardless of the building material, but limits internal illumination to the white portions of the sign. Alternative B treats backlighting and internal illumination equally regardless of building material and sign color.

Ms. Berens displayed photos of illuminated signs to demonstrate the alternatives. She said Puget Sound Energy submitted its sign proposal and expressed a preference for Alternative B.

Ms. Berens responded to questions of clarification. Responding to Mr. Chelminiak, Ms. Berens said the ordinance allows signs on the sides of a building most oriented toward I-405. It does not preclude a sign on the north side of a building if that happens to be the side most oriented toward I-405.

Responding to Mr. Degginger, Ms. Berens said design review will apply to the sign code amendments. Alternative B provides the greatest flexibility for businesses in designing their signs.

Mayor Marshall acknowledged the importance of the sign code amendments as an economic development tool. She suggested adopting staff's recommendation now and considering further amendments in the future if warranted.

- Deputy Mayor Noble moved to adopt Ordinance No. 5542 as described by the Staff Recommendation alternative. Mayor Marshall seconded the motion.

Dr. Davidson will not support the motion. He noted the considerable financial investment required to purchase high-rise signs and questioned whether backlighting will be sufficient for visibility. He would like to allow a combination of white illuminated lettering and backlit color logos.

Ms. Balducci and Mr. Chelminiak expressed support for the motion.

Mr. Lee discussed the challenge of balancing flexibility for businesses with a sensitivity to residents' concerns about the high-rise signs. He will support the motion and is open to considering future amendments if needed.

- The motion to adopt Ordinance No. 5542 as described by the Staff Recommendation alternative carried by a vote of 6-1, with Dr. Davidson dissenting.

(j) Neighborhood Vitality (Neighborhood Investment Strategy Phase 2)

Dan Stroh, Planning Director, opened discussion regarding neighborhood vitality and livability and working with change in older neighborhoods. Potential indicators of concern in aging neighborhoods include lack of private housing investment, conversion of owner housing to rentals, poor property maintenance, higher than average crime rate, low enrollment in neighborhood schools, older housing of poor quality, and a lack of identity or sense of place.

Mr. Stroh displayed and discussed a series of Bellevue maps depicting patterns based on:

- Age of single-family housing
- Remodels and additions
- New single-family construction, tear-downs, and vacant land



- Net livable square footage
- Property maintenance code complaints
- Burglaries and Assaults (equally distributed throughout community)
- School enrollment levels
- Median household income
- Neighborhood associations.

Cheryl Kuhn, Neighborhood Outreach Manager, reviewed the City's current approach to neighborhood services. Benefits of the recent West Lake Hills Neighborhood Investment Strategy include citizen involvement in identifying needs and projects, neighborhood leadership development, enhanced interdepartmental coordination by City staff, community partnerships, focusing on neighborhood character and identity, and creating new strategies for addressing aging neighborhoods.

Mr. Stroh questioned whether the City's approach should be to preserve older neighborhoods or to encourage redevelopment and more significant changes.

Ms. Kuhn described her work with a East Bellevue residents focus group. Residents are concerned about the ongoing ability to attract young families. They expressed concern about declining neighborhood shopping centers, property maintenance issues, conversions to rental properties, and the need to retain affordable housing that meets the needs of families.

➡ At 9:59 p.m., Mr. Noble moved to extend the meeting until 10:10 p.m., and Mayor Marshall seconded the motion.

➡ The motion to extend the meeting to 10:10 p.m. carried by a vote of 7-0.

Mr. Stroh summarized that the older neighborhoods in East Bellevue and Lake Hills face special challenges and stresses including lower investment levels, higher incidence of code violations, declining school enrollments, and fewer neighborhood associations. However, the areas' considerable strengths are the natural beauty of the surrounding environment, parks and trails, a good location, and strong community identity.

Mr. Stroh posed the question – Should the City do more to meet the needs of older neighborhoods? He noted a follow-up discussion will be held with Council on October 11.

Mayor Marshall thanked staff for the presentation and declared the meeting adjourned at 10:06 p.m.

Myrna L. Basich  
City Clerk

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